THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) to (c) SCICI, being a private sector company, incorporated under the Companies Act, is governed by policies as decided by its Board of Directors from time to time. SCICI has, however, informed that it has decided, as a prudent banking policy, to diversify its portfolio by also providing assistance to other industrial sectors. By doing so, hiwever, it would not reduce the quantum of total assistance to these two critical sectors of the economy.

(d) SCICI has already commenced granting financial assistance to certain new areas like transport, telecommunication, energy, food processing and tourism.

Proposal to set up courts for economic offences

1180. SHRI PRAMOD MAHAJAN:
SHRI KRISHAN LAL SHARMA:
SHRI RAJNI RANJAN SAHU:
DR. ABRAR AHMED:
SHRI KRISHNA KUMAR BIRLA:

Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Government's consideration to establish a network of Special Courts exclusively to try economic offences involving violations of SEBI and Companies Act;

(b) if so, what are the details thereof; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR):

(a) Yes, Sir.

(b) and (c) The proposal is under examination.

Report on Indian economy

1181. SHRIMATI KAMLA SINHA:
SHRI RAJNI RANJAN SAHU:
DR. ABRAR AHMED:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that his Ministry's latest monthly assessment report has painted a gloomy picture of the economy; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) The Monthly Economic Reoprt of this Ministry monitores performance of the economy in terms of selected indicators over the corresponding period last year. The latest Report for June, 1992 issued on 3rd July, 1992 does not present on gloomy picture of the economy. The Report, which essentially monitors short term changes in the economy brings out, *inter alia*, a decline in inflation rate, recovery in industrial production, improvement in external aid and foreign exchange reserves and a widened trade deficit as import pick up in April, 1992. It details a decline in foodgrain stocks at the end of May, 1992 and a higher growth in money supply due mainly to higher credit to the commercial sector, and an increase in foreign exchange assets against a decline in the corresponding period last year.

Smuggling of Arms at Konkan Coast

1182. SHRI ARANGIL SREEDHARAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that arms are being smuggled through the Konkan coast of Mangalore; and

(b) if so, what steps Government have taken to prevent the smuggling of arms?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) Customs authorities have not detected any instance of smuggling of arms in the coastal area of Konkan during the last few months. However, the Customs authorities remain alert against smuggling activities including that of fire-arms. Close coordination is being maintained between all the agencies concerned in the prevention and detection of smuggling.

Impact of new duty drawback schedule on exports

1183. SHI V. NARAYANASAMY: *Will the Minister of* FINANCE be pleased to state:

(a) whether Government's announcement of new Duty Drawback Schedule of 161 items to boost the exports have shown encouraging results; and

(b) if so, whether these conform to the desired level?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) The Duty Drawback Schedule announced on 1-6-1992 covers 353 items. Out of these the rates for 161 items have been increased.

It is too early to assess whether this enhancement of rates has resulted in increae in exports. The duty drawback scheme is not an export incentive as it only compensates the exporter for duties suffered on the inputs that have been used in the manufacture of the products exported. This is done to enable the exporters to compete in the international market without any disadvantage on account of duty on the inputs.

Seizure of Narcotics at Varanasi

1184. SHRI RAJUBHAI A. PARMAR:
SHRI MURLIDHAR CHANDRAKANT BHANDARE:
SHRIMATI VEENA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a gang of heroin smugglers was busted in Dashswamedh area of Varanasi and about 2.6 Kg. of heroin worth about Rs. 2.5 crores in international market was seized on or about June 9, 1992;

(b) if so, what are the details of the gang and its *modus operandi* and the persons apprehended; and

(c) what is the total quantity of heroin seized by various Revenue and Enforcement authorities and agencies during the past three months, indicating the details of the major hauls of the drugs and narcotics seized?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes Sir. 2.2 Kgs of heroin was seized on 7-6-1992. No precise valuation of heroin, which is often of indeterminate chemical strength and composition and is liable for destruction, is feasible.

(b) A gang comprising 11 criminals were indulging in purchase of heroin from Barabanki Distt. in U.P. and sell in retail to drug pushers of Varanasi. Out of these 11, nine were apprehended and two are absconding.

(c) Total quantity of heroin seized in India as per reports during the period April—June, 1992 is 391 Kgs.